

By: Eltife

S.B. No. 1746

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the authority of certain school districts to enter into
3 property tax abatement agreements in connection with realigned or
4 closed military facilities.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 312.002, Tax Code, is amended by
7 amending Subsections (f) and (g) and adding Subsections (h) and (i)
8 to read as follows:

9 (f) Except as provided by Subsection (h), on ~~On~~ or after
10 September 1, 2001, a school district may not enter into a tax
11 abatement agreement under this chapter.

12 (g) "Taxing unit" has the meaning assigned by Section 1.04[~~7~~
13 ~~except that for a tax abatement agreement executed on or after~~
14 ~~September 1, 2001, the term does not include a school district that~~
15 ~~is subject to Chapter 42, Education Code, and that is organized~~
16 ~~primarily to provide general elementary and secondary public~~
17 ~~education].~~

18 (h) A school district has the same authority to enter into a
19 tax abatement agreement under this chapter as a taxing unit other
20 than a municipality or county if the property that is the subject of
21 the proposed agreement:

22 (1) was part of a military base or other military
23 facility that was realigned or closed;

24 (2) was exempt from property taxation while it was

1 owned by the person from whom the current owner acquired it; and

2 (3) is located in a county in the Texas-Louisiana
3 border region as defined by Section 2056.002, Government Code.

4 (i) Subsection (h) expires September 1, 2017. The
5 expiration of Subsection (h) does not affect the validity of a tax
6 abatement agreement entered into by a school district under
7 Subsection (h) before the expiration of that subsection.

8 SECTION 2. Subsection (d), Section 403.302, Government
9 Code, is amended to read as follows:

10 (d) For the purposes of this section, "taxable value" means
11 the market value of all taxable property less:

12 (1) the total dollar amount of any residence homestead
13 exemptions lawfully granted under Section 11.13(b) or (c), Tax
14 Code, in the year that is the subject of the study for each school
15 district;

16 (2) one-half of the total dollar amount of any
17 residence homestead exemptions granted under Section 11.13(n), Tax
18 Code, in the year that is the subject of the study for each school
19 district;

20 (3) the total dollar amount of any exemption
21 [exemptions] granted [before May 31, 1993,] within a reinvestment
22 zone under an agreement [agreements] authorized by Chapter 312, Tax
23 Code, if the exemption was granted:

24 (A) before May 31, 1993; or

25 (B) under the authority of Section 312.002(h),
26 Tax Code;

27 (4) subject to Subsection (e), the total dollar amount

1 of any captured appraised value of property that:

2 (A) is within a reinvestment zone created on or
3 before May 31, 1999, or is proposed to be included within the
4 boundaries of a reinvestment zone as the boundaries of the zone and
5 the proposed portion of tax increment paid into the tax increment
6 fund by a school district are described in a written notification
7 provided by the municipality or the board of directors of the zone
8 to the governing bodies of the other taxing units in the manner
9 provided by Section 311.003(e), Tax Code, before May 31, 1999, and
10 within the boundaries of the zone as those boundaries existed on
11 September 1, 1999, including subsequent improvements to the
12 property regardless of when made;

13 (B) generates taxes paid into a tax increment
14 fund created under Chapter 311, Tax Code, under a reinvestment zone
15 financing plan approved under Section 311.011(d), Tax Code, on or
16 before September 1, 1999; and

17 (C) is eligible for tax increment financing under
18 Chapter 311, Tax Code;

19 (5) for a school district for which a deduction from
20 taxable value is made under Subdivision (4), an amount equal to the
21 taxable value required to generate revenue when taxed at the school
22 district's current tax rate in an amount that, when added to the
23 taxes of the district paid into a tax increment fund as described by
24 Subdivision (4)(B), is equal to the total amount of taxes the
25 district would have paid into the tax increment fund if the district
26 levied taxes at the rate the district levied in 2005;

27 (6) the total dollar amount of any exemptions granted

1 under Section 11.251, Tax Code;

2 (7) the difference between the comptroller's estimate
3 of the market value and the productivity value of land that
4 qualifies for appraisal on the basis of its productive capacity,
5 except that the productivity value estimated by the comptroller may
6 not exceed the fair market value of the land;

7 (8) the portion of the appraised value of residence
8 homesteads of individuals who receive a tax limitation under
9 Section 11.26, Tax Code, on which school district taxes are not
10 imposed in the year that is the subject of the study, calculated as
11 if the residence homesteads were appraised at the full value
12 required by law;

13 (9) a portion of the market value of property not
14 otherwise fully taxable by the district at market value because of:

15 (A) action required by statute or the
16 constitution of this state that, if the tax rate adopted by the
17 district is applied to it, produces an amount equal to the
18 difference between the tax that the district would have imposed on
19 the property if the property were fully taxable at market value and
20 the tax that the district is actually authorized to impose on the
21 property, if this subsection does not otherwise require that
22 portion to be deducted; or

23 (B) action taken by the district under Subchapter
24 B or C, Chapter 313, Tax Code;

25 (10) the market value of all tangible personal
26 property, other than manufactured homes, owned by a family or
27 individual and not held or used for the production of income;

1 (11) the appraised value of property the collection of
2 delinquent taxes on which is deferred under Section 33.06, Tax
3 Code;

4 (12) the portion of the appraised value of property
5 the collection of delinquent taxes on which is deferred under
6 Section 33.065, Tax Code; and

7 (13) the amount by which the market value of a
8 residence homestead to which Section 23.23, Tax Code, applies
9 exceeds the appraised value of that property as calculated under
10 that section.

11 SECTION 3. This Act takes effect immediately if it receives
12 a vote of two-thirds of all the members elected to each house, as
13 provided by Section 39, Article III, Texas Constitution. If this
14 Act does not receive the vote necessary for immediate effect, this
15 Act takes effect September 1, 2007.